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E-BIZ

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Don't turn buyers off on-line

IBM and the Retail Council of Canada released a study this week that indicated few Canadian organizations have effective on-line retail strategies.

That comes as no surprise — in my own research on how to set up an on-line store, I am having a dreadful time in coming up with useful Canadian examples.

My experience so far is that many of those who have charged off into building an on-line store haven't done it very well. The problems are many, but one recent experience stands out as an example of how not to do business on the Web.

Imagine this scenario: You go to a store and pick out a product. You walk up to the checkout counter, where you are told that you can't buy the product at the advertised price and that, indeed, you'll have to pay more. This never happens, does it? The rule is that the price listed is the price at which the sale should occur.

Does this happen on-line? Not with major players such as Amazon.com or Dell. Companies with successful retail E-commerce strategies work hard to ensure that customers are not left with any negative feelings about their on-line shopping experience, and advise customers of what they are spending when conducting an on-line purchase.

Contrast this with a recent experience I had on-line with a Canadian computer company. Its Web site features a "system builder," a tool by which you can assemble your own PC. Technically, it works well — put together the components that you want for a custom order, at which point you are told the price.

Since the company doesn't yet permit you to order on-line, you are advised to call one of the company's physical locations to purchase the custom order for which you have received a quote.

This is where things go wrong. Thinking that I had a firm price on the product, I called one of the locations listed on the Web page, only to be advised by the chap on the phone that there was no way that he could sell me a system at that price. Intrigued, I called a second location. Same story. I gave up after three calls.

I followed up with an angry fax to the company's head office, wondering how close this situation might be to false advertising. They offered the feeble excuse that the Web site notes "prices are subject to change without notice," and indicated that they are having a hard time in ensuring that the prices on their site match the prices in their physical locations.

The Retail Council of Canada and IBM are concerned about the fact that few companies in Canada have ventured into E-commerce. Maybe, given Web sites such as this, we should warn companies not to get involved until they are ready to do business on-line.

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